

**ADMINISTRATIVE**  
**INTERNAL USE ONLY**

6 FEB 1968

**MEMORANDUM FOR : Director of Medical Services**

**SUBJECT : Proposed Civil Service Commission Procedures  
on Involuntary Disability Retirement**

1. You will recall our meeting with the Deputy Director for Support (DDS) concerning proposed procedures for involuntary disability retirement which had been submitted to the Agency for review.

2. Following a meeting with the Director, Bureau of Retirement and Insurance (BRI), we have come up with a solution that we believe will fully protect the Agency's interests while at the same time complying with the overall intent and spirit of the Commission's new procedures. Our solution has now been approved by the DDS and the Executive Director. The Director, BRI also has reacted favorably.

3. In effect, we have suggested that BRI insert both in their explanatory material and their governing regulations a statement that the proposed procedures do not "change basic requirements to comply with applicable laws, Executive orders, and regulations intended to protect information involving the national security." This should permit us all of the control needed in individual cases.

4. Recognizing that the proposed procedures call for extensive new internal requirements, I have asked our Chief, Special Activities Staff to develop working procedures. We will submit these to you for review. I believe it to be in our mutual best interests to develop these procedures soon and before a case actually arises in order to be fully prepared to handle a case in accordance with the new BRI procedures, once BRI actually puts them in effect.

/s/ Robert S. Wattles

**Robert S. Wattles**  
**Director of Personnel**

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DISPATCH		S-E-C-R-E-T		MARKED FOR INDEXING
TO	Chiefs of Station and Base		X	NO INDEXING REQUIRED
INFO.				ONLY QUALIFIED DESK CAN JUDGE INDEXING
FROM	Chief, [REDACTED]			MICROFILM
SUBJECT	Liberalized Procedure for Discontinued Service Retirement			
ACTION REQUIRED - REFERENCES				
<p>1. To assist agencies to make adjustments in on-duty strength to conform to reduced personnel ceilings, the Civil Service Commission has liberalized the requirements for employees to qualify for discontinued service retirement under the Civil Service retirement system.</p> <p>2. The Organization is making this liberalized retirement arrangement available to eligible employees who may be interested in applying for early retirement. Our internal procedures will differ in some respects, however, from those which are applicable generally. Normally, typical reasons which qualify an individual for discontinued service retirement benefits include abolishment of position and the operation of classical reduction in force programs. Under the liberalized approach as adopted for application by the Organization, any eligible employee may elect to accept discontinued service retirement and receive an immediate annuity, without regard to requirements such as the abolishment of his position. The liberalized procedures will be extended also to participants in the Organization retirement system who meet conditions of eligibility specified in paragraph 4 below.</p> <p>3. An employee in the Civil Service retirement system is eligible to retire under the discontinued service option if he:</p> <ul style="list-style-type: none"> <li>a. is 50 years of age or older and has completed 20 years of creditable Federal service, or</li> <li>b. regardless of age, has completed 25 years of creditable Federal service.</li> </ul> <p>His annuity is reduced one-sixth of one percent per month for each month (2% for each year) the individual is under age 55.</p> <p>4. An employee in the Organization retirement system is eligible to retire under a similar option if, regardless of age, he has completed 25 years of creditable Federal service, including 10 years of Organization service and 5 years of qualifying service. No reduction in annuity will be made for age.</p>				
CROSS REFERENCE TO	DISPATCH SYMBOL AND NUMBER	DATE		
	Book Dispatch #7310	6 Feb 1970		
	CLASSIFICATION	HQS FILE NUMBER		
	S-E-C-R-E-T			

CONTINUATION OF DISPATCH	CLASSIFICATION S-E-C-R-E-T	DISPATCH SYMBOL AND NUMBER Book Dispatch #7310	
<p>5. Since the liberalized retirement procedures may be used only to assist the Organization in reducing the number of personnel on duty to the authorized strength, they may not be continued in effect indefinitely. Retirements under these procedures should therefore be scheduled to be effective in the near future, preferably not later than 30 June 1970. Employees who attain eligibility under the criteria specified above between 30 June 1970 and 30 June 1971 will also be able to retire under the discontinued service option when eligible, provided the overstrength situation on which the modified procedure is based still exists at the time of scheduled retirement.</p> <p>6. Retirement under the liberalized procedures is at the option of the individual. To meet administrative requirements, however, it will be necessary in each case, after the employee has indicated his wish to retire under the option, for headquarters to request his resignation based on a determination that he is surplus to the needs of the Organization. The retirement will then be documented as a resignation in lieu of involuntary retirement. The Office of Personnel has given the assurance that, despite this necessary documentation, the new procedure is, in effect, another form of voluntary retirement and is not adverse in nature.</p> <p>7. Any employee, regardless of career service, who is interested in applying for retirement under the option described above, or who wishes to receive additional information concerning eligibility, annuity, benefits, etc., should inform his Chief of Station or Base, who will in turn notify headquarters by a dispatch addressed to the area division concerned. The application or inquiry will be coordinated at headquarters with the responsible career service and the Office of Personnel, and the employee will be given pertinent guidance or instructions as soon as possible.</p> <p>8. Chiefs of Station and Base are requested to bring the provisions of this dispatch to the attention of personnel who are or may be eligible under the criteria given in paragraphs 3 and 4 above.</p> <div data-bbox="836 1512 1112 1606" style="background-color: black; width: 170px; height: 45px; margin: 20px auto;"></div> <div data-bbox="1242 1522 1323 1554" style="text-align: right;">25X1A</div>			
FORM 53a 8-64 (40)	CLASSIFICATION S-E-C-R-E-T	<input type="checkbox"/> CONTINUED	PAGE NO. 2

**Processing of Involuntary Disability Retirement Cases**

1. Along with other agencies, CIA reviewed—prior to publication—proposed Civil Service Commission (CSC) issuances concerning the processing of involuntary disability retirement cases. Subsequently, this Agency notified CSC's Executive Director that we had no objection to the new procedures provided that protection would be afforded any classified information that might be associated with these cases. As a result of several consultations with the Director, Bureau of Retirement and Insurance (BRI), the issuances now include language to the effect that the new procedures do not change "basic requirements to comply with applicable laws, Executive orders, and regulations intended to protect information involving the national security." This language was needed for the isolated case where a specific situation might necessitate disclosure of classified information.

2. This Agency long has permitted employees to be covered by the Civil Service Retirement Act (CSRA). While historically, the Agency has complied with BRI retirement processing requirements, it has become necessary to develop special procedures for the handling of classified information whenever associated with a retirement matter. While these procedures do not change BRI requirements, they do establish unique ways of handling transmittals of information, record keeping, and the like. It is proper, of course, that the Agency comply with BRI procedures since that Bureau administers the CSRA and all of the related adjudications, disbursements, maintenance of the retirement fund, etc.

3. While the new involuntary disability retirement procedures create procedures which may be new to other Federal agencies, CIA has been observing most of the principles involved for some time. Except for a few relatively minor modifications in existing procedures, we do not anticipate any serious difficulty in complying with the new directive. We note that this Agency rarely has used the involuntary disability retirement avenue. No such case was ever submitted to BRI until completion of a full review, usually by a formal board consisting of the Medical Director, the General Counsel, other senior officials as appropriate, and the Director of Personnel.

**Distribution:**

0 & 2 - DDS

1 - D/Pers

X - DD/Pers/SP - *INVOLENTARY Retirement Procedures*

OP/DD/Pers/SP/[REDACTED] bhd (18 June 1968)

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